



8011-01

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 32634; File No. 812-14467]

Aspiriant Trust, et al.

May 11, 2017

AGENCY: Securities and Exchange Commission (“Commission”).

ACTION: Notice.

Notice of an application for an order under section 12(d)(1)(J) of the Investment Company Act of 1940 (the “Act”) for an exemption from sections 12(d)(1)(A), (B), and (C) of the Act; under sections 6(c) and 17(b) of the Act for an exemption from sections 17(a)(1) and (2) of the Act; and under section 6(c) of the Act for an exemption from rule 12d1-2(a) under the Act. The requested order would: (a) permit certain registered open-end investment companies to acquire shares of certain registered open-end investment companies, registered closed-end investment companies, business development companies, as defined in section 2(a)(48) of the Act, and unit investment trusts (collectively, “Underlying Funds”) that are within and outside the same group of investment companies as the acquiring investment companies, in excess of the limits in section 12(d)(1) of the Act; and (b) permit certain registered open-end management investment companies relying on rule 12d1-2 under the Act to invest in certain financial instruments.

Applicants: Aspiriant Trust, a Delaware statutory trust that is registered under the Act as an open-end management investment company with multiple series; Aspiriant, LLC, a Delaware limited liability company that is registered as an investment adviser under the Investment Advisers Act of 1940; and UMB Distribution Services, LLC, a Wisconsin limited liability

company that is registered as a broker-dealer under the Securities Exchange Act of 1934 and is a member of the Financial Industry Regulatory Authority.

Filing Dates: The application was filed on May 20, 2015, and amended on September 3, 2015, March 16, 2016, September 26, 2016, September 27, 2016, and March 13, 2017.

Hearing or Notification of Hearing: An order granting the requested relief will be issued unless the Commission orders a hearing. Interested persons may request a hearing by writing to the Commission's Secretary and serving applicants with a copy of the request, personally or by mail. Hearing requests should be received by the Commission by 5:30 p.m. on June 5, 2017 and should be accompanied by proof of service on the applicants, in the form of an affidavit, or, for lawyers, a certificate of service. Pursuant to rule 0-5 under the Act, hearing requests should state the nature of the writer's interest, any facts bearing upon the desirability of a hearing on the matter, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the Commission's Secretary.

ADDRESSES: Secretary, U.S. Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090. Applicants: Benjamin D. Schmidt, Aspiriant, LLC, 1111 East Kilbourn Avenue, Suite 1700, Milwaukee, WI 53202.

FOR FURTHER INFORMATION CONTACT: Kieran G. Brown, Senior Counsel, at (202) 551-6773, or David Marcinkus, Branch Chief, at (202) 551-6821 (Division of Investment Management, Chief Counsel's Office).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained via the Commission's website by searching for the file number, or for an applicant using the Company name box, at <http://www.sec.gov/search/search.htm>, or by calling (202) 551-8090.

## Summary of the Application

1. Applicants request an order to permit (a) each Fund<sup>1</sup> (each a “Fund of Funds”) to acquire shares of Underlying Funds<sup>2</sup> in excess of the limits in sections 12(d)(1)(A) and (C) of the Act and (b) each Underlying Fund, any principal underwriter for the Underlying Fund, and any broker or dealer registered under the Securities Exchange Act of 1934 to sell shares of the Underlying Fund to a Fund of Funds, in excess of the limits in section 12(d)(1)(B) of the Act.<sup>3</sup> Applicants also request an order of exemption under sections 6(c) and 17(b) of the Act from the prohibition on certain affiliated transactions in section 17(a) of the Act to the extent necessary to permit the Underlying Funds to sell their shares to, and redeem their shares from, the Funds of Funds.<sup>4</sup>

Applicants state that such transactions will be consistent with the policies of each Fund of Funds

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<sup>1</sup> Applicants request that the order apply to each existing and future series of Aspiriant Trust and to each existing and future registered open-end investment company or series thereof that is advised by Aspiriant, LLC or its successor or by any entity controlling, controlled by or under common control with Aspiriant, LLC or its successor and is part of the same “group of investment companies” as Aspiriant Trust (each, a “Fund”). Applicants further request that the order also apply to any future principal underwriter and distributor for a Fund. For purposes of the requested order, “successor” is limited to an entity that results from a reorganization into another jurisdiction or a change in the type of business organization. For purposes of the request for relief, the term “group of investment companies” means any two or more registered investment companies, including closed-end investment companies, and business development companies, that hold themselves out to investors as related companies for purposes of investment and investor services.

<sup>2</sup> Certain of the Underlying Funds have obtained exemptions from the Commission necessary to permit their shares to be listed and traded on a national securities exchange at negotiated prices and, accordingly, to operate as an exchange-traded fund (“ETF”).

<sup>3</sup> Applicants are not requesting relief for a Fund of Funds to invest in business development companies and registered closed-end investment companies that are not listed on a national securities exchange.

<sup>4</sup> Applicants note that a Fund of Funds generally would purchase and sell shares of an Underlying Fund that operates as an ETF, closed-end fund, or business development company through secondary market transactions rather than through principal transactions with the Underlying Fund. Applicants nevertheless request relief from sections 17(a)(1) and (2) to permit each Fund of Funds that is an affiliated person, or an affiliated person of an affiliated person, as defined in section 2(a)(3) of the Act, of an ETF, closed-end fund, or business development company to purchase or redeem shares from the ETF or to acquire shares from the closed-end fund or business development company in connection with an underwritten initial or follow-on offering made by such closed-end fund or business development company as described in the application.

and each Underlying Fund and with the general purposes of the Act and will be based on the net asset values of the Underlying Funds.

2. Applicants further request an exemption under section 6(c) from rule 12d1-2 under the Act to permit any Fund that relies on section 12(d)(1)(G) of the Act (“Section 12(d)(1)(G) Fund”) and that otherwise complies with rule 12d1-2 under the Act, to also invest, to the extent consistent with its investment objective, policies, strategies and limitations, in financial instruments that may not be securities within the meaning of section 2(a)(36) of the Act (“Other Investments”).

3. Applicants agree that any order granting the requested relief will be subject to the terms and conditions stated in the application. Such terms and conditions are designed to, among other things, help prevent any potential (i) undue influence over an Underlying Fund that is not in the same “group of investment companies” as the Fund of Funds through control or voting power, or in connection with certain services, transactions, and underwritings, (ii) excessive layering of fees, and (iii) overly complex fund structures, which are the concerns underlying the limits in sections 12(d)(1)(A), (B), and (C) of the Act. Applicants assert that permitting a Section 12(d)(1)(G) Fund to invest in Other Investments as described in the application would not raise any of the concerns that section 12(d)(1) of the Act was intended to address.

3. Section 12(d)(1)(J) of the Act provides that the Commission may exempt any person, security, or transaction, or any class or classes of persons, securities, or transactions, from any provision of section 12(d)(1) if the exemption is consistent with the public interest and the protection of investors. Section 17(b) of the Act authorizes the Commission to grant an order permitting a transaction otherwise prohibited by section 17(a) if it finds that (a) the terms of the proposed transaction are fair and reasonable and do not involve overreaching on the part of any

person concerned; (b) the proposed transaction is consistent with the policies of each registered investment company involved; and (c) the proposed transaction is consistent with the general purposes of the Act. Section 6(c) of the Act permits the Commission to exempt any persons or transactions from any provision of the Act if such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Eduardo A. Aleman,  
Assistant Secretary.

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